



**U.S. Department of Justice**

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**FOR IMMEDIATE RELEASE  
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## **NEWS RELEASE**

### ***TREMONTON MAN CONVICTED OF TAX EVASION FOLLOWING TRIAL IN FEDERAL COURT***

SALT LAKE CITY -- A federal jury returned a guilty verdict late Thursday afternoon convicting John Gauruder, a chiropractor from Tremonton, of one count of tax evasion, completing a three-day trial in U.S. District Court.

U.S. District Judge Clark Waddoups set sentencing for July 26, 2010, at 3:30 p.m. Gauruder faces up to five years in prison on the charge.

Gauruder was indicted in September 2008, along with Rulon DeYoung and Jana Gauruder. DeYoung pled guilty last week to four counts of tax evasion and one count of corrupt interference with the due administration of the Internal Revenue laws. Jana Gauruder's trial is scheduled for August 2010.

Federal prosecutors say evidence showed that Gauruder knew he owed the IRS as much as \$1.1 million in income taxes, interest and penalties. Gauruder instructed his wife, Jana Gauruder, to transfer his family home to The Order of Tranquility, purportedly a religious organization operated by Rulon DeYoung. The evidence showed that Gauruder continued to live in his home after it was titled

in the name of The Order of Tranquility. Gauruder also opened a bank account in the name of The Order of Tranquility, in order to pay household expenses after the home was transferred. The government argued that Gauruder's transfer of the property and use of the bank account was intended to conceal and protect his assets from the IRS. The evidence presented to the jury demonstrated that John Gauruder owed approximately \$212,000 in taxes for the years 1995 through 2001, plus interest and penalties, in addition to taxes he owed for other years, but failed to pay a penny in tax.

Paul Camacho, Special Agent in Charge of the Las Vegas Field Office of the Internal Revenue Service Criminal Investigation, issued a stern warning to those who would follow in Gauruder's steps. "IRS Criminal Investigation has been very successful in tracking down individuals involved in similar schemes. Anyone telling taxpayers that they can hide assets in order to avoid taxes is perpetuating a fraud. As demonstrated by the result in this case, involvement in such tax schemes is a losing proposition," he said.

"This office is committed to vigorously prosecuting tax law violations. Tax fraud causes tremendous harm to the United States and leaves participants owing taxes, interest and penalties. As this case demonstrates, it can also lead to criminal prosecution and potential incarceration for those involved," Carlie Christensen, Acting U.S. Attorney for Utah, said today.

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